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RURAL AREAS DEVELOPMENT

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SECRETARY MAKES RAD TOUR; OKAYS NATION'S FIRST C&D PROJECT

Secretary of Agriculture Orville L. Freeman toured Rural Areas Development activity in southern Indiana May 27-28 and found the area "surging ahead toward its rightful share of the prosperity of the '60's."

"The whole of America will benefit from the economic development underway in this corner of Indiana," Freeman said. "It shows what can be done when local people and the Government work together to develop new and profitable uses for the resources of rural areas."

The Secretary also announced the selection of the Nation's first Resource Conservation and Development project. The project envisions the development of water resources, recreation, and industry in four Indiana counties to create jobs and strengthen the area's economy.

About 30 newsmen were with the Secretary on his two-day bus-and-helicopter swing through Clark, Crawford, Harrison, Martin, Orange, Perry, Spencer, and Washington Counties.

What they saw was one of the most concentrated examples of rural development activity in the mid-West -- new factories, watershed projects, recreational areas, resort hotels, new rural water systems, new housing, a Federal job training program, Army Engineers flood control work, Accelerated Public Works activity, and public parks and forests.

In each case, rural people were involved in projects to expand their economy.

". . . This is Rural Areas Development in action," Freeman said.

In a speech near Tell City, climaxing the first day of the tour, Freeman praised local people in the eight-county area for working together "to expand the economy of their community, or area." He said the Department and other Federal agencies had supplied the "missing ingredients" of financial and technical assistance and education.

*We must show the
world what a
free economy can do
. . . to put unused
capacity to work,
spur new
productivity and
foster higher
economic growth.*

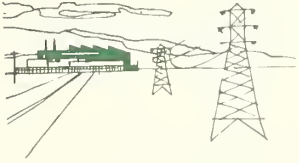
President Kennedy.

INDUSTRIAL DEVELOPMENT PLAYS AN IMPORTANT PART

■ New or expanding industry is playing an important part in providing jobs for low income or underemployed farmers and other rural residents throughout the eight-county area.

A tour highlight was the stop at Salem, where the local RAD group raised \$30,000 and bought a 30-acre site to attract the Bata Shoe Company plant. The new plant was officially opened 12 days before the tour with 120 employees. Company officials plan to expand to 400 employees and a \$2 million payroll by the end of the year. The plant cost \$758,000, of which \$113,700 was raised locally. Four local banks added \$170,000, participating to the maximum of their lending authority and the Area Redevelopment Administration of the Commerce Department loaned the company the final \$474,300. ARA also made a combination loan and grant of \$235,000 to the City of Salem to extend water and sewage facilities to the plant. About 340 people are being trained by the Government to work in the plant, and the shoes they make during the training period will be donated to Indiana orphanages.

At Borden, the Secretary and reporters inspected the Borden Cabinet Corp., plant which was rebuilt less than five months after being destroyed by fire. The plant, which makes television, radio and hi-fi cabinets, employed 196 people before the fire. Now it has 305 employees. ARA made a \$577,118 industrial loan to help rebuild the plant and also granted the town of Borden \$16,000 to improve water facilities for fire protection at the plant.



A geological survey that indicated a large supply of high grade silica sand is leading to the development of a \$774,770 mining and glass plant in Harrison County. Ground was being prepared for the Indiana Sand Glass Company plant when tour members inspected the area. A Section 5 Rural Electrification Administration loan through the rural electric cooperative at Corydon provided \$187,804 for electrical equipment and wiring at the plant and an ARA loan of \$470,750 helped finance the factory itself. The plant will employ 33 persons when complete.

In other areas, the Tell City Chair Company in Perry County has announced a \$1 million expansion program; Illinois Plastics Molding and Manufacturing Company of Chicago has established a 12-man plant in Clark County, and a \$3 million particle board plant is proposed at Tell City by Storrs Wood Products Company, which has Federal loan applications pending. The particle board plant will employ 65 people one year after it goes into operation. About 400 others would find jobs cutting, sawing, gathering, and trucking timber to the plant.

Municipal water is one of the most critical problems in southern Indiana. Few rural communities have a water system. Well water has a high mineral content, and cisterns which depend on roof runoff often have to be refilled with trucked-in water during dry spells at a cost of \$5 per 1,000 gallons. Some schools are forced to buy a tank truck of water every day, and some families have to get trucked-in water 3 or 4 times a month. This has discouraged industrial development and home building, and curbed economic growth. The Secretary found the Department hard at work to correct the situation. With USDA help, some 20 rural water systems are being planned or developed in southern Indiana, such as the one the Secretary saw at Henryville.



SCENIC BEAUTY ADDS TO RECREATION POTENTIAL

Both public and private outdoor recreation areas are being expanded in the rolling Indiana foothill area, where the scenery, especially along the Ohio River, lends itself to recreational development.

Secretary Freeman and the tour group got a first hand look at how farmers can take surplus crops out of production and still remain on the farm and increase their income. They visited Elmer Apple, who in search of new income, constructed two lakes and a rustic dining lodge on his farm near Paoli. Last year, Apple grossed more than \$12,000 on the dining room, and around \$4,000 from his fishing lakes. Apple also is building a cattle herd, and has switched his former cropland acres to grass, legumes or trees.

Public recreation areas visited included Hoosier National Forest, where new ponds and picnic areas are being built with \$275,000 Accelerated Public Works funds, and the Lincoln National Boyhood Memorial, where Abraham Lincoln spent his boyhood years. The National Park Service plans to spend \$2 million to develop the area as a National shrine, and thus help local people with their program to attract tourists to the area.

Three watershed projects were on the tour schedule, including French Lick Creek watershed project, where \$5.4 million worth of property is threatened each time the stream goes out of its banks. This happens as many as six to eight times a season. With the flood problem being eased, local interests put up a new building and leased it to the Jasper Corporation, which has hired 100 people to assemble pianos. The French Lick-Sheraton Hotel has spent \$3.5 million to modernize its resort buildings and improve 1,600 acres of land. The hotel has 600 local people on its payroll.

In addition to flood prevention, the project will create a 140-acre lake for boating and fishing. The Fish and Game Division of the Indiana Department of Conservation has purchased about 1,000 acres of land adjoining the lake for recreational purposes. At Elk Creek watershed project, the Secretary and newsmen talked with landowner Hager Garriott, Jr., who gave local sponsors the site they needed for a watershed dam. Then Garriott spent another \$4,000 developing irrigation at the dam. With irrigation, he now grows cabbage and green beans on 60 acres of land that formerly was in corn.



At other stops, tour members got a look at rural housing built with the help of USDA loans and they visited two farms where USDA loans helped farmers in their mid-30's acquire the capital, equipment and land necessary for efficient family farming to increase farm income.

RESOURCE CONSERVATION AND DEVELOPMENT PROJECT OUTLINED

The Department will begin assistance to the local sponsors of the Lincoln Hills Area Resource Conservation and Development project shortly after July 1, providing Congress approves the necessary funds. The initial work will be to help local people develop an overall resource development program that will show how local, State and Federal resources can best be used in carrying out the goals of land use adjustment and development of water resources, recreation, and tourism.

Five million people live within a 200 mile radius of the pilot project, which includes Crawford, Harrison, Spencer, and Perry Counties, Indiana. The Secretary said

urban and city groups will be urged to join with local sponsors in planning the expansion of recreation facilities.

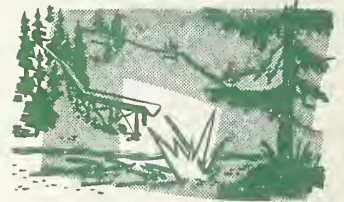
Project sponsors said 13 multipurpose watershed projects are needed for flood protection, and to develop bodies of water for recreation, municipal, and industrial use. The sponsors also called for improved transportation and communications, community improvement-planning and development, and modernized educational facilities. Plans already are underway to capitalize on the forests and mineral deposits in the area.

RAD NATIONAL ADVISORY COMMITTEE MEETS IN WEST VIRGINIA, MAKES TOUR

Members of RAD's National Advisory Committee learned what six West Virginia counties are doing to implement their Overall Economic Development Plans during a meeting at Jackson's Mill, West Virginia, May 27-28.

Delegates made a one-day bus tour of a six county area, which included Braxton, Gilmer, Lewis, Nicholas, Upshur, and Webster Counties. Local RAD leaders boarded the bus in each county and rode along to point out and describe what their county is doing to develop jobs and natural resources.

Tour highlights included a \$275,000 wood dimension plant in Webster County that was proposed by the RAD Committee to capitalize on the area's timber resources, a farmer's market at Weston that provides small farmers in the central part of the State with an outlet for eggs and produce, and question-and-answer sessions with local Rad Committees in Braxton and Webster Counties. The final stop was at an Army Engineer's reservoir outside Sutton. Federal, State, and local people are developing plans to make the reservoir a tourist attraction.



"A better way of life is in sight for rural West Virginia because local people have set their goals and are working to reach them with Government help," said John A. Baker, Assistant Secretary of Agriculture and Chairman of the Department's Rural Areas Development Board. "Through RAD, the Department seeks to help rural areas share in the national prosperity to which they have contributed so much."

Unemployment ranges from 11.5 to 24.6 percent of the work force in the six-county area, which was hard-hit by the decline of the coal mining industry. Some areas are so mountainous that it is difficult to find enough level land to put a plant, much less get it to locate there in the first place. However, the rugged terrain contributes to the recreation potential and does not detract from forest industry. The economic development plans stress these features.

WORLD FOOD CONGRESS DELEGATES TO TOUR RAD PROJECTS

Delegates to the World Food Congress in Washington are to inspect RAD activity in Virginia, North Carolina, and Tennessee on June 19-21. Foreign visitors will see the overall effect of the RAD program in Watauga County, North Carolina, and Johnson County, Tennessee. They also will stop at Culpeper, Virginia, where a watershed project sparked rural development, and Chase City, Virginia, where an electric cooperative helped bring new industry and recreation to the community.